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Secretary James Kenney
New Mexico Environment Department

Dear Secretary Kenney,

I would like to register my support for NM SB 14 The Clean Fuel Standard Act. From 2002-2020, I managed my family's ranch—the Ranney Ranch—outside of Corona, NM. My experience ranching here, in semi-arid mesa/canyon rangeland at 6200', illustrates the potential for SB 14 to: 1. improve our rangelands by encouraging regenerative management practices 2. boost ranch income, now at best a marginal business and 3. revive local communities by creating new enterprises. (Sadly, in late 2021 my family sold our ranch of 52 years.)

My father, George Ranney, managed our 18,000 acre ranch from 1968-2002 according to conventional range management practices including continuous grazing; our rangeland was typical of ranches in the region. In the spring of 2003, I began a rotational grazing management program (intensive grazing with long rest periods) under the guidance of HMI/rangeland advisor, Kirk Gadzia, Resource Management Services LLC, and witnessed stunning improvement in soil health and grassland biodiversity: our native grassland species (without any reseeding, fertilizer or irrigation) increased from a count of five in 2003 to over fifty in 2018, from seeds dormant in the soil for many decades under the practice of continuous grazing. We observed increased numbers of species of soil microorganisms, insects, butterflies, bats and grassland birds while at the same time greatly increasing water retention in our pastures. In 2017, this ecosystem diversity was recognized by Audubon when we were invited to be the pilot ranch here in NM for their Audubon Conservation Ranching Program. This recognition boosted our visibility as a regeneratively managed ranch in the region and contributed to the success of our Grassfed Beef program, begun in 2003, both within the state and across the country, improving the economic viability of the ranch. Ranch records for this period show increased beef sales, reduced feed and fuel costs, need for fewer bulls, increased herd size and improved animal health and yield.

While we began this new approach with the purpose of range improvement and increased productivity, soil testing in 2007 showed that our soil Carbon levels had increased

significantly. Subsequent soil testing in 2009-10 by Steve Apfelbaum of Applied Ecological Services, Inc. (AES) showed that carbon accrual improvements followed these vegetation changes and with the significant acreage multiplier, per acre gains of .3 to .5 tonnes C/ acre per year had translated into larger total quantities of accrued and salable carbon than from many other areas of the USA. Although we never entered the carbon market with this data, it was clear to us that the new management practices resulting in both increased soil fertility and carbon accrual were to our immediate and long-term benefit. We even hoped that we were contributing to the reduction of greenhouse gas emissions (GHG's) in the larger framework of climate improvement.

SB 14 would reward those ranchers who are practicing regenerative grazing practices and are able to document increased carbon sequestration on their rangelands. In turn, these practices would increase ranch profitability and potentially throw off new small businesses in surrounding rural communities, including new processing plants which are badly needed in New Mexico and marketing jobs for local residents. Recognition by nationally known outfits such as Audubon might not only increase sales but bring tourism to rural communities. (We sponsored several such landscape and birding tours.)

During this same period, we also increased our commitment to clearing juniper (*Juniperus monosperma*, a native species that beginning in the 1960's and '70's due to overgrazing, absence of regular fire and perhaps increased atmospheric carbon, had started to invade our lowlands.) Assisted by NRCS EQIP and CSP grants, we cleared over 2,000 acres of juniper in the years 2002-2020. Soil testing showed that this clearing was beneficial to the health of our soil, to the increased infiltration of water in ranch soils and to the increased sequestration of carbon. In 2009, working with the Corona Landowners Association which had come together to negotiate with wind developers and with the support of AES and The Earth Partners (TEP), we explored the feasibility of harvesting and shipping pelletized juniper from Corona via rail and then boat to a power plant in northern England (DRAX) seeking to meet EU renewable standards by 2020. When tested by TEP, our juniper was found to have high BTU, low moisture levels and low ash content, all good for biomass use. Unfortunately, although this project has materialized for some landowners in central Texas, Corona was too far inland to be economically viable. At that time, we also explored the feasibility of a pellet plant in Corona but could not pencil that out.

All these management practices cost money. Again, SB 14 would support and incentivize ranchers to practice good documentable management techniques as well as offering the potential for a new local revenue stream, of import to both ranchers and their local community. If biomass is viable and useful, how much better that it be consumed within the region that it is generated.

My experience is that offering financial credits for ecosystem services such as soil and habitat improvement, carbon accrual and biomass production, would incentivize ranchers and other landowners to manage their lands with regenerative practices; these could in turn encourage healthy range management, improve ranch profitability and stimulate local rural development, offering alternative income streams such as the sale of value-added meat products, processing plants, biomass sales and hunting and tourism possibilities.

I believe that NM SB 14 is a step in the right direction.

Sincerely,
Nancy Ranney